



# AND THE NOMINEES ARE...

VOTING OPENS SOON FOR FUZZY'S NEXT

★ FAC MEMBERS ★

## THE TACOABOUT

A DEEP DIVE INTO EVERYTHING FUZZY'S

AUGUST 2019

# FAC 2019 NOMINEES



We are excited to announce our 2019 Franchise Advisory Council member nominees. Following is a list of our candidates along with the voting process.

Each franchise group will be asked to submit one vote per group. We will send a survey the week prior to the event. Voting will close on Thursday, August 22, at midnight Central Time. We will announce the two new members of the council at our annual conference in Austin at the end of the General Session on Monday morning.

TWO MEMBERS WILL BE SELECTED  
FOR THE 2019-2022 TERM



*Introducing*

**JEFF YORK!**



- **Locations/Development Territory:** Corpus Christi, TX; Tempe, Arizona/Arizona
- **Role:** Owner/Operator
- **Experience Beyond Fuzzy's:** Texas Roadhouse Managing Partner; Chuy's General Manager
- **Years in the Biz:** 27 years
- **Years as a FTS Franchisee:** 7 years
- **Anticipated Value:** "A positive outlook of Fuzzy's future supported by 27 years of helping build a culture of great operations, safety and development of people."



## Introducing CLINT BIXLER!

- **Locations/Development Territory:** DFW; 12 stores
- **Role:** Franchisee
- **Experience Beyond Fuzzy's:** PepsiCo Director of Real Estate (15 years); CB Commercial Real Estate (8 years)
- **Years in the Biz:** 10 years
- **Years as a FTS Franchisee:** 10 years
- **Anticipated Value:** "P&L growth, sales growth and process implementation."



## Introducing JEANNIE MURPHY!

- **Locations/Development Territory:** Baytown and Beaumont, TX
- **Role:** Owner/Operator
- **Experience Beyond Fuzzy's:** 20+ years as a managerial/strategy consultant, focused on global large scale programs and multi-entity communication
- **Years in the Biz:** 3 years
- **Years as a FTS Franchisee:** 3 years
- **Anticipated Value:** "I am extremely organized and focused on effective communication. A vote for me is a transparent vote into the FTS corporate organization and a connection to each and every shop. I believe we need to break the chain of silence and get some transparency into the corporate business, as well as represent the true operations of the business from an owner/operator perspective."



# SALES SUCCESSES



**ICE & EASY  
RESULTS!**

**THANKS TO ALL OF  
YOU FOR A GREAT  
SUMMER CAMPAIGN!  
HERE ARE SOME OF THE  
HIGHLIGHTS...**



**\*NOTE:**

The \$150/shop credit from Avocados From Mexico to support this promotion was deposited into bank accounts in the last week of July.

## **SAME STORE SALES**

- ▶ With the exception of Fourth of July week, same store sales maintained post-Q2 direct mail levels without additional discounting

## **CHIP DIPPIN' TRIO**

- ▶ Sales averaged 8,661 units per week, contributing a total profit of over **\$275,000**
- ▶ Prior to the promotion, shops offering the trio averaged \$254 in sales of the item compared to all shops averaging **\$1,025** in P7
- ▶ Our partnership with Avocados From Mexico allowed us to showcase the quality of our fresh guacamole and made-in-house salsa

## **FROZEN DRINKS**

- ▶ Sales of the featured drinks increased an average of 3.9% over the three weeks prior to the promotion
- ▶ Average weekly sales of the Sangria Swirl more than tripled during the promotion and Fuzzy Mango sales increased by 30% over the prior three weeks



# INTRODUCING

## REAL ESTATE AND DEVELOPMENT

### > > > Team RaD



*We have made some shifts in people and responsibilities on the Real Estate and Development team to better serve you and your NSO processes.*

#### **Andie Smirl:**

Andie will be spearheading our franchise recruitment and sales. She will be working closely with No Limit Agency and our Franchise Council to ensure we are targeting and awarding to top tier franchise candidates.

#### **Samir Wattar:**

With Samir taking the baton from Andie after Franchise Agreements are signed, he will be working directly with CBRE, lease attorneys, Hub City and our FF&E partners, ChainLink Services and Texas Signs to ensure on-time and on-budget openings.

#### **Michael Mabry:**

I hope to provide value to your business by creating systems and processes that will lower the build-out costs of your shops, allowing you to open for less money and at a faster pace while maintaining operational integrities.

Please feel free to reach out anytime with questions, criticisms, concerns or advice. We look forward to seeing you in Austin...Team RaD exists to serve you.

Sincerely,  
Michael Mabry  
[michael.mabry@fuzzystacoshop.com](mailto:michael.mabry@fuzzystacoshop.com)



# IN THE KNOW



## NEW OLO CATEGORIES

Over the coming days, the menu categories on the online ordering pages will be updated to be consistent with the new category headers from the DMBs. This change will reduce guest confusion from what they see in the shops and what they see when placing an order online, while also bringing the new brand voice to our online ordering process.

The overall olo page design will also be updated in phases over the coming weeks to match the look and feel of the DMBs and the new rewards app.

## BUTT BURNIN' HOT SAUCE LABELS

Beginning this month, Sassy Jones will be shipping retail and gallon Butt Burnin' Sauce bottles with the updated labels shown below. When the new versions will hit each location depends on shop and PFG inventories, but everyone should be seeing the new look soon! Note also, the updated condiment bottle labels can be ordered through UMI from the LSM toolkit.



# MANAGER BLACKBOARD SPECIALS

Fuzzy's is introducing Manager's Blackboard specials. This program is designed to maintain the integrity and consistency of our Fuzzy's menu, while encouraging the creativity that is so much a part of our culture.

## Manager's Blackboard Specials would fall into one of these three categories:

1. Items from our standard menu to which you want to call attention
2. Items that you need to move through in a timely manner (maybe you over-prepared)
3. A "new" item that was created using ingredients from our existing menu and order guide

## PROMOTION OF STANDARD MENU ITEMS

This is a great way to call attention to some of our unique and not-so-known products. It is also a great way to call out some of the more profitable items on your menu board. You do not necessarily need to put a special price on the items, but that might create even a little more interest.

## PROMOTION OF MUST MOVES

If you find yourself in a position where you need to move through some items, this is a good way to call attention to an item and create a little buzz at the same time. If you find yourself in this position, you might want to promote it at a special price in order to move through the items more quickly. Think about bundling it with other products so you maintain a healthy margin.

## PROMOTION OF A NEW ITEM

Now you can promote something that is unique to your shop. Each new item would require that you submit a **Menu Addition Approval Form** (ingredients, costing and the retail price) and a recipe for preparation. This form will be sent via e-mail and will also be available on Fuzzynet (Document Library > Nutrition). Upon completion, the form should be submitted to your local FSC. Once we have reviewed the submissions, Fuzzy's will approve/decline the submission. If it is approved, we will send out the recipe to all shops, as an approved item for the Manager's Blackboard Specials.

Participation in Manager's Blackboard Specials is an individual franchisee's decision, so there is no pressure. The Manager's Blackboard Specials will give shops an opportunity to offer guests something unique and ever-changing. Who knows, we might even discover the next new item that will be added to Fuzzy's Taco Shop's standard menu. We are looking forward to seeing some great ideas.



## GLUTEN-FREE AND DAIRY-FREE MENUS NOW ONLINE

To better serve our guests and to help our cashiers be better prepared to respond to guest questions, we recently created one-page Gluten-Free and Dairy-Free Menus. Both are available for download on the Menu page of [fuzzystacoshop.com](http://fuzzystacoshop.com) and are also available on Fuzzynet (Document Library > Nutrition). Each shop will receive two (2) laminated copies to keep at the registers with their No Kid Hungry POP package later this month.

Please reach out to your Fuzzy's marketing team with any questions.



## THE HARD STUFF

Based on the success of the featured frozen drinks during the summer Ice & Easy Campaign, the House FuzzyRita (frozen and rocks), Fuzzy Mango, Sangria Swirl and Coronita Beerita will continue to be displayed in The Hard Stuff section of the DMB. (Note: The Fuzzy Mango recipe has been revised to replace Pinnacle Whipped vodka with well vanilla vodka now that the LTO is over.



## REWARDS APP CHANGES COMING SOON



Thank you to everyone for helping our rewards app membership grow to over 320,000 Fuzzy's fans since its launch almost two years ago. Now, to increase sales through improved guest engagement, visit frequency and spend, to stay in line with industry standards, and to address operator concerns about the program, we are making some adjustments that will go into effect in September. Here's a quick overview of some of the largest changes:

- Guests will earn 10 points for every \$1 spent
- Points will be redeemable for a selection of menu items (not \$10 rewards), with a roster of items available at different point levels
- Guests will be able to earn rewards faster with the first level of redeemables starting at 300 points (\$30 spend), or they can elect to keep earning points until they reach the level of their desired menu item
- The design will reflect the new brand look and feel



As with the current program, points will not be earned on gift card purchases, but will be earned on purchases of alcohol and catering orders. Guests can also earn and redeem points on online orders and orders placed through the app when they are signed into their rewards account.

We will start communicating the changes to our loyalty members in mid-August, encouraging them to redeem their earned \$10 rewards before the change goes into effect. Once the program changes, all banked rewards will convert to points that can only be redeemed for menu items. By making members aware of the change ahead of time, we hope to avoid guest frustration when they try to redeem rewards post-launch. If guests have questions at the shop level, just let them know more information is coming.

More details will be shared at the conference at the end of the month and we will continue to keep you all updated over the coming weeks.



# TRAINING TIP

Portion control is at the forefront of our daily routines at Fuzzy's. This has a direct impact on your COGs and is regularly taught and coached to managers and cooks. Did you know your FOH employees impact your COGs and have portion control standards to adhere to as well?

Fajita meats, queso and guac are easy focus points when watching food cost. Don't sleep, however, on a sneaky food item that is a widespread culprit for waste every single day. What is the item we are talking about? You guessed it, Butt Burnin' Hot Sauce packets in To Go orders!

We worked with a handful of unmonitored shops to implement correct portion guidelines by posting the standard and validating the team's awareness of the standard. In all shops, allotments decreased 50%-75% in just two weeks! Imagine the savings - or just do the math!

For a general expectation of pars: a \$25k/week shop should plan on pars of one (1) case of Butt Burnin' packets per week (or less) and 1-2 cases of Habanero per month (depending on your market).

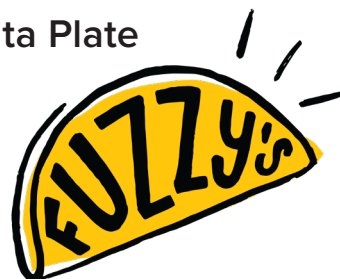
Excessive portioning can occur in any shop regardless of whether the cooks, cashiers or expo are bagging the orders. The good news is we have a Job Aid to post on your staff communication board. This job aid will be sent via e-mail and will also be available on Fuzzynet (Training > 2019 Training Materials > Job Aid Posters). The portioning guidelines can be cut out and posted on any line or expo area. Happy To Go packing!

## Guidelines for To Go

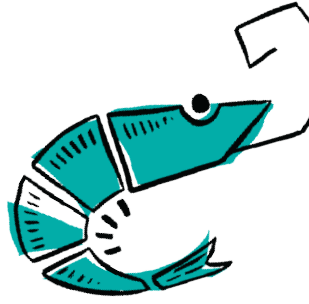
### BUTT BURNIN'

#### Hot Sauce packets portioning

- > 0 packets for: Starters, Soups and Kid Meals
- > 1 packet for: Taco, Nacho, Quesadilla, Salad and Burrito Bowl
- > 2 packets for: Burrito, Mexican Plate and Breakfast Plate
- > 3 packets for: Fajita Plate



# safety and sanitation



## ➤ LINE CHECKS ➤

Completing thorough and accurate line checks is not only a portrayal of having a guest first mentality, but arguably one of the **MOST IMPORTANT** things we do in our days. Line checks ensure we are placing an utmost priority on both **guest safety** as well as **integrity in the quality of our food**, which we are all so proud of.

Line checks should be completed twice a day at minimum. Best practice and recommended completion time is between 10:00am and 10:30am and again between 4:30pm and 5:00pm. This allows you time to open your line and have everything heated to temp prior to line check, while still completing **BEFORE** your lunch rush. In the afternoon, this would allow you to complete around the time of shift change and **BEFORE** your dinner rush. Completion times may vary from shop to shop.

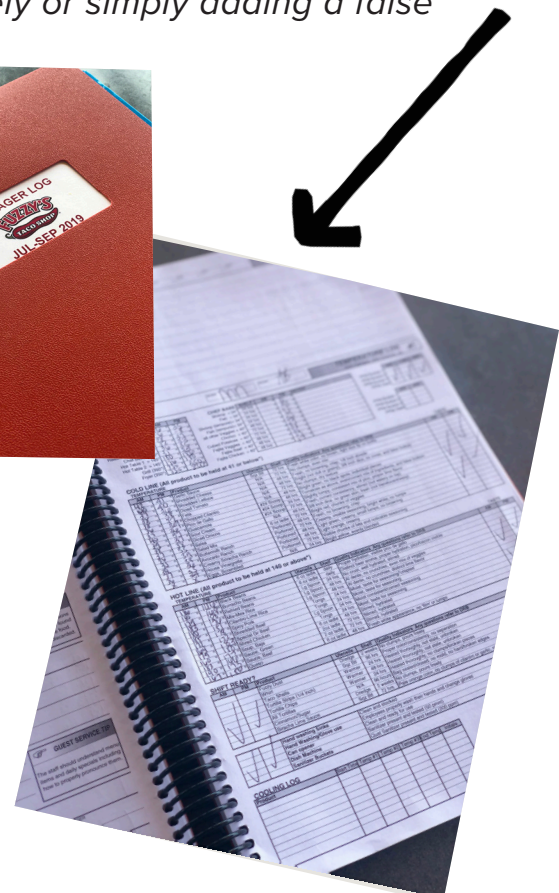
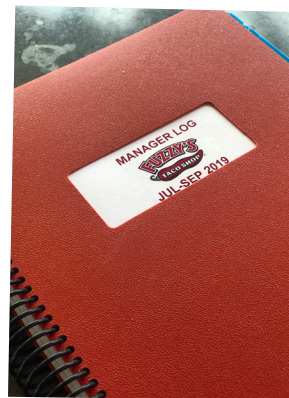
## THREE PRIMARY TASKS TO COMPLETE DURING A LINE CHECK:

1. Record accurate temperatures to comply with Food Safety regulations
2. Make observations for key quality indicators
3. Taste our food to verify Fuzzy DRB recipe adherence

*If any of these three things are not to standard, **corrective action** is to be taken immediately. This may require you reheating or cooling products, exchanging product for a freshly made batch, re-making a batch entirely or simply adding a false bottom to a pan holding seafood.*



Line checks can be found in Fuzzy's Taco Shop Manager's Log Red Book. Red Books are ordered quarterly for \$44 through Comm Log Communications. If you choose to use another form of manager communication, line checks will need to be created in house. They should be printed daily, stored in a designated location easily accessible by all managers, and stored for a minimum of 90 days. Record of completed and accurate line checks are a part of Fuzzy's QAI Audit, four points on your UL Everclean audit and required by Health Departments. Remember, they are your first line of defense if one of your guests become ill!





## ARE YOU READY FOR SOME FOOTBALL?

Football season is already upon us! This is a great time of year to remind your communities that we are their Tailgate Headquarters for all local sporting events. Build your sales by offering catering and in-restaurant gameday offerings using the tools shown below (available through the LSM toolkit).

### *Available Assets*

#### ► 3' x 8' Banner

- Display in a visible area for your guests to easily see when arriving at or leaving your shop

#### ► 4" x 6" Postcard with customizable address and price point areas

- Hand to guests with their receipts
- Include in To Go bags
- Partner with local businesses and schools to cross promote and leave a stack on their counter, etc.

#### ► Poster (horizontal & vertical layouts)

- Post in the interior of your shop

#### ► Facebook Creative

- Share on your local social media pages to encourage engagement and to spread the word outside the four walls



# FEED THE TEAMS

Players must eat too! Many teams will need meals before and after sporting events. Contact your local coaches to set up their meals before the season starts. Check out your local teams' schedules and contact the visiting teams' coach to offer to feed them when they are in your hometown. Offer incentives such as coaches eat free and/or special discount for first time orders!

## Available Assets

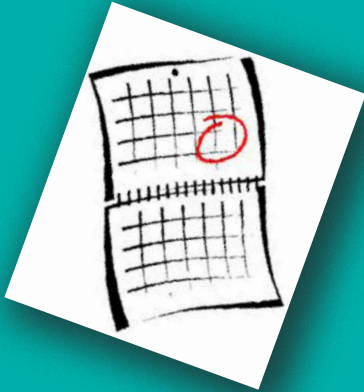
- **5.5" x 8.5" Flyer**
  - Distribute to local schools and businesses
- **11" x 17" Poster**
  - Display at local schools, businesses or recreation centers, etc.
- **8.5" x 11" Letters to Coaches**
  - Post in the interior of your shop
- **Facebook Creative**
  - Send to your local coaches and schools



# stay TUNED



## UPCOMING EVENTS ★



**August 25-27**

Fuzzy's Franchise Conference

**September 1-30**

Dine Out for No Kid Hungry

**September 26**

Q4 LTO and Campaign Webinar

**October 3**

National Taco Day Celebration

**October 8**

Cornutopia Begins



## COMING SOON

**Recipe of the Month**

**Fuzzy's Hall of Fame**

Do you or your team want to be featured in the next Newsletter?

Please submit photos, recognition, best practices, etc. to:

**NEWSLETTER@FUZZYSTACOSHOP.COM**

